

MARK L. SHURTLEFF (4666)
UTAH ATTORNEY GENERAL
Steven F. Alder (0033)
Assistant Attorney General
Attorneys for Division of Oil, Gas & Mining
1594 West North Temple, #300
SALT LAKE CITY UT 84116
Telephone (801) 538-7227

FILED

OCT 24 2011

SECRETARY, BOARD OF
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS & MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

AMENDED NOTICE OF AGENCY ACTION FOR AN ORDER REQUIRING MARION ENERGY, TO PLUG AND RECLAIM WELLS; OR FORFEIT SURETY BOND AND AUTHORIZE THE DIVISION TO PLUG AND RECLAIM WELLS LOCATED IN TOWNSHIPS 13 AND 14 SOUTH, RANGE 7 EAST, CARBON COUNTY, UTAH; AND AN ORDER REQUIRING MARION ENERGY TO IMMEDIATELY COMPLY WITH THE NOTICE OF VIOLATION FOR THE WELLS LOCATED IN TOWNSHIPS 12, 13, AND 14 SOUTH, RANGES 7 AND 10 EAST, CARBON COUNTY, UTAH.

**STIPULATION
AND
JOINT MOTION TO CONTINUE
HEARING**

Docket No. 2011-018

Cause No. 250-02

The Utah Division of Oil, Gas, and Mining (Division), by and through its undersigned counsel, and Marion Energy Inc. (Marion), through its undersigned counsel, and based on the following understanding hereby move the Board to continue the evidentiary hearing of the above entitled Amended Notice of Agency Action from October 26, 2011 until the hearing date of December 7, 2011, and further stipulate as follows:

1. Marion shall as soon as possible commence actions to remedy the alleged improper maintenance and safety conditions at its wells in its Clear Creek and Helper fields as more


particularly set out in the Notice of Violation (NOV) issued on August 23, 2011, and to make all reasonable efforts to complete necessary repairs and maintenance prior to the onset of winter weather in the fields, and to establish and maintain a presence in these fields.

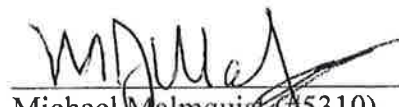
2. The Division's agreement to seek a continuance and the commitment by Marion as set forth above are not intended to resolve nor waive any claims of the Division for the violations set forth in the NOV or in the Amended Notice of Agency Action.

3. Marion's agreement to this Stipulation and to implement actions to address the alleged violations in the NOV is not a waiver of any rights to contest the NOV or related penalties or the violations alleged in the Amended Notice of Agency Action.

4. Except as may otherwise be agreed or ordered by the Board hereafter, the Amended Notice of Agency Action shall be set for hearing at the December 7, 2011 Board hearing.

Agreed to on the date executed as shown below.


Steve Alder (#00033)
Assistant Attorney General
Counsel for Utah Division of Oil, Gas
and Mining
Dated: 10/21/2011


Michael Malmquist (#5310)
Parsons Behle & Latimer
Counsel for Marion Energy Inc.
Dated: 10/21/2011

**BEFORE THE BOARD OF OIL, GAS & MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

AMENDED NOTICE OF AGENCY ACTION FOR AN ORDER REQUIRING MARION ENERGY, TO PLUG AND RECLAIM WELLS; OR FORFEIT SURETY BOND AND AUTHORIZE THE DIVISION TO PLUG AND RECLAIM WELLS LOCATED IN TOWNSHIPS 13 AND 14 SOUTH, RANGE 7 EAST, CARBON COUNTY, UTAH; AND AN ORDER REQUIRING MARION ENERGY TO IMMEDIATELY COMPLY WITH THE NOTICE OF VIOLATION FOR THE WELLS LOCATED IN TOWNSHIPS 12, 13, AND 14 SOUTH, RANGES 7 AND 10 EAST, CARBON COUNTY, UTAH.

ORDER CONTINUING HEARING

Docket No. 2011-018

Cause No. 250-02

Having reviewed the Stipulation and Motion to Continue Hearing in the above-captioned matter, and for good cause appearing, the Utah Board of Oil, Gas, and Mining, pursuant to Utah Administrative Code R641-106-700, hereby orders that this matter be continued until the Board's regular hearing scheduled on December 7, 2011.

So Ordered.

Utah Board of Oil, Gas, and Mining

James T. Jensen
Chairman

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **STIPULATION AND JOINT MOTION TO CONTINUE HEARING** for Docket No. 2011-018, Cause No. 250-02 to be mailed with postage prepaid, this 24th day of October, 2011, to the following:

Michael Malmquist
Parsons Behle & Latimer
Counsel for Marion Energy
201 South Main Street,
Suite 1800
Salt Lake City, UT 84111

Michael S. Johnson
Assistant Attorneys General
Utah Board of Oil, Gas & Mining
1594 West North Temple, Suite 300
Salt Lake City, UT 84116
[Via Email]

Steven F. Alder
Assistant Attorneys General
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 300
Salt Lake City, UT 84116
[Via Email]

Marion Energy Unlimited
C/O Mr. Keri Clarke
PO Box 1518
Allen, Texas 75013-0026
[Address updated 10/17/2011]

Marion Energy Unlimited
136 East South Temple Suite 2100
Salt Lake City, UT 84111

U.S. Specialty Insurance Company
13403 Northwest Freeway
Houston, Texas 77040

